

Report to: Cabinet

Date of Meeting: 11th October 2012

Subject: Review of Library Service & Options for Consideration

Report of: Strategic Director - Place

Wards Affected: All

Is this a Key Decision? Yes

Is it included in the Forward Plan? Yes

Exempt/Confidential No

Report Summary

The report provides an update on the Library Service Review, including the public engagement findings and presents options for consideration emerging from the review. At this stage approval is sought to consult communities, partners, key stakeholders and employees, as appropriate, on the options and to report the outcome of the consultations back prior to any consideration by Council.

The report contains a number of Annexes listed below for ease of reference:

Annex A	<i>“Comprehensive and efficient”</i> and details of the Wirral Inquiry
Annex B	Library engagement questionnaires
Annex C	Summary of public engagement findings
Annex D	Summary table of costs and usage of libraries
Annex E	Sample of comparator data
Annex F	Maps of Sefton’s population
Annex G	Summary table of socio-economic data
Annex H	Libraries ranked on key indicators
Annex I	List of background documents available to view on-line
Annex J	Options considered but not recommended at this stage

Recommendation(s)

Cabinet is asked to note the outcome of the local needs analysis including the results from the public engagement exercise, resulting in options for a new model of delivery for a modern, sustainable, comprehensive and efficient Sefton Library Service and to agree to:

- a) note that all figures in this report are working assumptions in relation to the options to be considered and the figures should not be seen as predetermining any decisions.
- b) consider the review process described in the report and agree that to date this has been a robust process
- c) the general definition of a *“comprehensive and efficient”* library service for Sefton described in paragraph 2.3
- d) note and understand the risks identified within the report
- e) the option appraisal criteria and note that it is influenced by previous Secretary

of State/Judicial Review considerations and intervention

- f) consider the options contained in this report and approve Option B for consultation and engagement with the community, staff, partners, including businesses, voluntary, community and faith sectors, to transform the way Sefton delivers its library service
- g) note that the equality implications will be thoroughly assessed in line with the Council's Equality Impact Assessment process should Members agree the proposed option be taken forward at a later date
- h) consider the potential mitigating actions identified to date and agree that further work on Sefton's Library Service offer, including the possible mitigating actions be developed.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community			x
2	Jobs and Prosperity			x
3	Environmental Sustainability	x		
4	Health and Well-Being			x
5	Children and Young People			x
6	Creating Safe Communities			x
7	Creating Inclusive Communities			x
8	Improving the Quality of Council Services and Strengthening Local Democracy			x

The Council continues to forecast a significant budget gap over the period 2013-2015 requiring estimated savings of £43.7m. It is a legal requirement to set a balanced budget and to ensure the medium term financial position is robust. It should also be noted that the Council has not yet been notified of its 2013/14 Revenue Support Grant and therefore the level of required savings is only an estimate at this stage. It is unlikely that the grant notification will be received before mid/late December 2012 and it is anticipated that this will be for a one year settlement only.

What will it cost and how will it be financed?

- (A) **Revenue Costs.** The report identifies potential reductions in revenue costs
- (B) **Capital Costs.** Potential capital costs are identified within the report however these can not be fully quantified at this time.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal

Under Section 7 of the Public Libraries and Museums Act 1964, library authorities [i.e. local authorities who exercise library functions] have a statutory duty to provide a “*comprehensive and efficient*” library service for all persons desiring to make use thereof. Under Section 1 of that Act, the Secretary of State has a duty to secure the proper discharge by local authorities of their functions in relation to libraries. In addition, the provisions of the Equality Act 2010 must be taken into consideration in relation to the way in which an authority plans and delivers library services. In particular, an authority must comply with the Public Sector Equality Duty to eliminate discrimination and advance equality of opportunity in accordance with Section 149 of the Equality Act 2010, the full text of which can be found at: <http://www.legislation.gov.uk/ukpga/2010/15/section/149>.

Human Resources

It will be necessary for the Authority to comply with the duty to consult with recognised Trade Unions (and as necessary employees) and to complete as necessary a notification under Section 188 of the Trade Union Labour Relations (Consolidation) Act 1992. Also form HR1 to the Department of Business Innovation and Skills notifying of redundancies may need to be filed dependent on numbers.

Full and meaningful consultation should take place with the Trade Unions and employees on the matters contained within this report.

Equality

In relation to compliance with the Equality Act 2010, Section 149, Members need to make decisions in an open minded balanced way showing due regard to the impact of the recommendations being presented. Members need to have a full understanding of any risks in terms of people with protected characteristics and any mitigation that has been put in place. Equality Impact Assessments, including consultation, provide a clear process to demonstrate that Cabinet and Council have consciously shown due regard and complied with the duty.

Impact on Service Delivery:

Consideration of service delivery implications will form an integral part of the budget; public engagement and consultation processes described within the report and will be dependant on the option finally adopted.

What consultations have taken place on the proposals and when?

Regular and ongoing consultations have taken place with Strategic Directors, Director of Built Environment, Director of Street Scene, Director of Young People & Families, Director of Older People, Director of Corporate Support Services and Director of Commissioning, Head of Personnel, and Trade Unions.

The Head of Corporate Finance & ICT (FD 1838) and Head of Corporate Legal Services (LD 1156) have been consulted and any comments have been incorporated into the report.

Are there any other options available for consideration?

None

Implementation Date for the Decision

Immediately following final Council approval. A comprehensive implementation plan will be drafted in consultation with all stakeholders, particularly staff and Trade Unions.

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Background Papers:

Overview and Scrutiny (Regeneration and Environmental Services) Report 13th April 2010

Cabinet Report 16th February 2012

Pre-assessment Equality Analysis Report

<http://modgov.sefton.gov.uk/moderngov/ecCatDisplay.aspx?sch=doc&cat=13333&path=13193>

Full details will be accessible via the Council's website at www.sefton.gov.uk/libraries. This website will contain all underpinning information, including maps of the population, usage data, and socio-economic data. It will also include links to national reports and websites considered relevant to this review.

A list of this documentation, as identified at the time of finalising the report, is at Annex I.

1. Background

- 1.1 Sefton's library service is currently delivered through a network of 13 libraries and via services accessed through the Council's website. The overall associated budget for 2012/13 is £3.25m. Of this, the net controllable expenditure is £2.38m (including income of £0.26m). The three major areas of expenditure are on staff, buildings and the materials fund. The Library Service is a good solid traditional service, acknowledged in previous reviews and inspections as providing good value for money. The service has had little general investment, particularly in its infrastructure, over recent years. However, it has modernised the service with the introduction of three new co-located facilities, where self service and improved ICT facilities have been provided. The new co-located facilities provide bright and welcoming buildings and bring economies of scale in terms of staffing and increasing access to the service.
- 1.2 Members will recall that the Overview & Scrutiny Committee (Regeneration and Environmental Services) undertook a stage one library review in 2009/10 which was reported to Cabinet. The second stage of the review was due to initially start in late 2010/11. However, following decisions made by other Library Authorities regarding changes to their services and the breadth of challenges that had come forward, it was accepted that this review should be postponed until later in 2011/12 in order to assess the outcomes of those challenges.
- 1.3 In February 2012 Cabinet approved terms of reference for a review of the library service. It was anticipated that the outcome of the review would identify options and inform Members to allow them to make decisions that would shape the delivery of sustainable library services in Sefton for the foreseeable future.
- 1.4 As part of the context of the review it was clear that while no targets were set the Council must make significant savings over the next two years, mainly as a result of a reduction in government funding and the continuing demand pressures on the Council's services. In a report to Cabinet in June 2012 the Head of Corporate Finance & ICT estimated the budget gap for the next 2 years at £43.7m. The library service has previously delivered savings of £0.58m in 2011/12 and £0.28m in 2012/13 by reorganising how the service operates and is managed. The reorganisations included reductions of specialist and managerial posts, increased efficiencies in stock supply, and rationalisation of the local history and information service in order to minimise the impact on frontline service delivery. Front line delivery was however affected by reductions in opening hours and the closure of the mobile library service. Staff reductions in management and specialist areas have been mitigated by a range of measures including: increased numbers of staff working across libraries, a redesign of local history services, improved automated stock management system; and a redesign of the general library offer. Options for a further reduction in senior management within the library service are proposed in other Council budget options for 2013/14, but it is

considered that any further reductions in strategic and specialist staff would threaten the overall viability and quality of the service.

- 1.5 Following approval of the terms of reference a Project Board was established to oversee the review process. In order to ensure a robust challenge to the process an independent chair (Strategic Director – Place) was appointed. A review team of library and other Council staff was established to undertake the review. Other Council Officers have also supported and contributed to the review process.
- 1.6 The key tasks undertaken are described in detail within the report and are summarised below:
 - Public engagement exercise to understand how services and libraries are used. This included analysis of over 6,000 responses received from users and non-users of the library service.
 - Data mapping using existing information sources e.g. from the Library Management System (Open Galaxy), Chartered Institute of Public Finance and Accountancy (CIPFA) comparative data, and the Council's Financial Management System (Oracle)
 - A detailed local needs analysis based on a community profile for each library, using Lower Super Output data.
- 1.7 Under the Public Libraries and Museums Act 1964 the Council is obliged to provide a *“comprehensive and efficient”* service for all individuals who live, work or study within the borough and who are *“desirous”* of using the service. The Act also charges the Secretary of State with superintending the improvement of the public library service.
- 1.8 The challenge facing the library service is to continue to deliver sustainable services in accordance with its statutory duties at a time of significant reductions in overall Council funding. It is anticipated that the options detailed in this report will enable the Council to continue to deliver a service which is compliant with the Act and cost efficient within the current financial climate.

2 Defining “comprehensive and efficient” for Sefton

- 2.1 Although the Public Libraries and Museums Act 1964 states that the Council is obliged to provide a *“comprehensive and efficient”* service, there is no statutory definition of what this means. What was considered to be *“comprehensive and efficient”* in 1964 has radically altered as a result of the information revolution and the rise in use of electronic and social media, notably the Internet, which has altered how people read and seek information and the methods they wish to use to access modern services.
- 2.2 As part of the review process there was a clear requirement to define the understanding of a *“comprehensive and efficient”* library service for Sefton in order to meet the requirements of the 1964 Act. Feedback from the public engagement exercise has been used to support the assessment of local need alongside the other data collected and analysed during the review.

The library service offers a range of activities over and above the provision of free books and information with an emphasis on serving the needs of children, older people and those with limited or no access to the internet at home.

- 2.3 Cabinet is asked to agree that for Sefton a “*comprehensive and efficient*” library service introduces and sustains a public appreciation and participation in reading and information, for leisure and personal development, formally and informally supporting individuals and groups through lifelong learning journeys. The Council’s service is universal and will continue to be for all ages, encompassing the widest spheres of public interest and usership. It continues to be comprehensive insofar as it will not exclude any person who lives, works or studies in Sefton from accessing or benefiting from its services; it will do so efficiently by responding to trends in technology and customer interaction, changes in lifestyles and customer requirements, by providing services which may be less efficiently provided elsewhere and being set in the context of whole Council resource. It should be noted that the service will continue to be delivered in welcoming, safe, democratic, social spaces, which the public generally choose to access rather than *have* to access. In addition to this the service will look to maximise the use of new technologies, where a business case can be evidenced, provide services in the most efficient and effective manner whilst continuing to develop a culture of reading and literacy across all ages.
- 2.4 In 2009 there was a challenge to the 1964 Act when the Secretary of State for Culture, Media and Sport intervened in Wirral following their proposals to close 13 libraries, based on an asset management programme. Since then, there have been a number of library reviews resulting in library closures where the Department for Culture, Media and Sport (DCMS) have “*called-in*” the decision, but to date DCMS have stated that they are not mindful to intervene. Further details of the findings from the Wirral Inquiry including Sefton’s response to it plus details of action from the DCMS to date are included in Annex A.

3 Public Engagement

- 3.1 The public engagement exercise was the first stage of a process that sought information from both users and non users of the library service. The information gathered included which libraries people use; how often; why they use them; what other Council services they use; and why they do not use the library service.

The questionnaires produced (for library users and library non-users) gave everyone the opportunity to contribute. Copies of the questionnaires are contained in Annex B. This public engagement was promoted via a range of channels including

- Online via the Council website and Twitter
- Online on computers at every library or as a paper copy to be completed and returned to a library or via freepost

- Posters and paper copies in other customer access points including Children’s Centres, One Stop Shops, Contact Centre, Town Halls etc. where they could be returned
- Contact Centre
- Community and voluntary groups, local businesses, and partners such as schools, youth services, the health and higher education sectors
- Supermarkets.

In total 6,773 responses were received and analysed. Of those 6,139 (91%) were from library users (self-classified) and 634 (9%) from those who classified themselves as non-users of the library. This response is from an overall number of ‘active borrowers’ (defined as those who have borrowed an item at least once in the past 12 months) of just under 48,500.

3.2 The details of the responses to each question, and a summary of comments are contained in Annex C.

Key points to note from the engagement exercise are:

- a) The majority (86%) of those who currently use the library service found out about the review through a library, those who don’t use the library most commonly found out about this review from either a library, the local press or the Council’s website.
- b) The most popular frequency for visiting a library and using its services is ‘*once or twice a month*’ with just over 10% of library users visiting a library every day.
- c) For those who do not use the library service the most common reasons given were:
 - a preference to buy books from a shop/online (18%)
 - having the internet at home (18%)
 - that they are “*too busy*” (17%).

When asked if they had ever used the service, 75% had used the service, with 41% of those having used it more than 5 years ago.
- d) The most common reason why library users have selected their library of choice is that it is closest to where they live (54%). Other less common but key reasons identified were being close to shops (13%) and having parking facilities (13%).
- e) The most common method of travelling to a library was by walking (49%) and by car (38%). Public Transport was used by 9% of those responding to this question.
- f) The most common reason why library users visit the library is to borrow books (67% at every visit), followed by reading books/magazines and newspapers.
- g) A majority of both users (68%) and non-users (77%) responding had access, at home, to broadband internet services.
- h) When asked about what other Council services users and non-users of the library service make use of, the responses were similar, with a significant number of those responding to this question participating in activities in other Council locations such as leisure centres, using the

Council's website and Tourist Information Service for information and paying bills at the 'One Stop Shop'.

Cabinet is asked to pay due regard to the information contained in Annex C and the key points identified in the feedback from the public engagement activity.

- 3.2 In a separate response to the public engagement 172 petition forms, containing 262 names have been submitted *"calling upon Sefton Council to make sure that Churchtown Library stays open following the review of the library service. Churchtown library is an efficient, friendly library and is a vital part of our community."* A representative of the delegation has been invited to address the Cabinet on the content of the petition in accordance with Chapter 4 of the Council Constitution.

4 Data gathering and local needs analysis.

- 4.1 A significant amount of data has been gathered and analysed during the review process including that of current library service usage and costs, comparator data of costs and performance, activities mapped, future infrastructure costs, travel information and community profiles. Further details are contained below.

Library usage

- 4.2 Extensive data and activity mapping have used existing data sources e.g. the Library Management System (Open Galaxy) and Chartered Institute of Public Finance and Accountancy (CIPFA) comparative data. In keeping with the national trend, Sefton's library service is seeing a declining numbers of visits and book loans, e.g. a decline in the number of items issued of 21% over the past five years. Alongside this there are growing expectations for opening hours, stock and equipment plus for the availability of on-line services such as e-books. There has been a growth in on-line services such as renewal of items and browsing the library catalogue via the Council's website. This suggests a need for a thorough review and the consideration of increased investment in these elements of the service.

Key statistics for 2011/12 are the total number of:

- Active borrowers (i.e. those who have borrowed one or more items in the past 12 months) = 48,467
- Registered borrowers = 147,674
- Items borrowed = 1,350,434
- Visits = 1,200,535
- ICT sessions = 195,614

Further details of usage data for each library are contained in Annex D. Cabinet is asked to pay due regard to the information contained in Annex D and the key points identified above.

Costs

- 4.3 Costs have been identified for each library to support the determination of their efficiency, based on end of year 2011/12 actual expenditure figures. These costs include premises and staffing but exclude costs such as capital depreciation and materials. This information was then combined with usage figures to give an outline cost per type of transaction for each library. Further details of costs for each library are contained in Annex D

Comparator data

- 4.4 Comparator data that indicates Sefton's costs and performance against other library services was also examined. The source for this data was from the Chartered Institute of Public Finance and Accountancy (CIPFA) actual figures for 2010/11. The figures for 2011/12 are due to be published later this year. Sefton is compared against its "*nearest neighbours*" of 14 other Councils considered to be similar types of local authorities and the other 34 metropolitan district councils (1 council did not submit any returns). For revenue and employees expenditure per head of population Sefton was 13th or 14th lowest out of its nearest neighbours and 33rd out of 35 metropolitan authorities. For the total number of employees and number of libraries per head of population Sefton was 13th against its nearest neighbours and 31st or 33rd out of 35 metropolitan authorities. This suggests that Sefton's performance is better than might be expected from its level of expenditure and provision and thus an efficient service.
A summary table of some of this data is contained in Annex E

Infrastructure

- 4.5 The review recognises that a library is much more than just a building and that the physical environment is an important success factor in the effectiveness of the service. Sefton's library buildings can be viewed as both an asset and in some instances a liability. Many of the Council's library buildings were designed and located for an early/mid 20th century population and they can be inflexible in design and use. Today's library user, like users of other public facilities, needs an accessible service that considers transport links and other public buildings and services.
- 4.6 In 2009 Overview & Scrutiny Committee (Regeneration and Environmental Services) undertook a full Asset Management Review with a final report in April 2010. Since that time the library estate has changed to include the development of Netherton library at Netherton Activity Centre and will shortly return Southport library to the Atkinson. This review recognised the challenges faced by the service in terms of its infrastructure and the potential costs of developing/maintaining the current estate. Building upon this work a further assessment of the current library estate was undertaken in April 2012.
- 4.7 The extent of the works required has a significant impact on the sustainability of the current library service, particularly in relation to the state of repair and the efficiency of a number of the library buildings. It is estimated that the funding required to address these issues across 10 of the current buildings is between £1.7m and £2m. This excludes any internal changes and

improvements required to worn fixtures and fittings such as chairs and shelving. The infrastructure costs for each building are included in Annex D.

Geography & Travel

4.8 In 2001 the Public Library Standards were introduced as a framework for defining “*comprehensive and efficient*”. They were last revised in April 2008 but then abolished in 2009, nothing has since replaced them. The standards required library services to report on the proportion of households living within a specified distance of a static library number. As part of the review process maps were produced identifying the current geographic spread of libraries across the Borough. Annex F details the current two mile and three mile catchments for each of Sefton’s 13 libraries.

4.9 Travel maps have been developed to provide Members with additional information with regard to bus routes, train stations and the walking distances to them for each library. In addition, the amount of time taken to reach other libraries by public transport and car; information about car ownership and the proximity of other libraries was also gathered.

Community profiles

4.10 A detailed local needs analysis assessed the community profile for each of the existing libraries, using Super Output data (small geographic areas for the reporting and comparison of local statistics) within a two mile radius of each library. Factors considered included:

- Overall population and number of households
- Numbers of younger and older people
- Poor health and disability
- Ethnicity
- Economic activity and income
- Deprivation indicators
- Public transport users and car ownership
- Education qualifications
- Equalities data

4.11 A summary table of the above data is included in Annex G. Further supporting information is available to view on the website.

5 Development of Options for Consultation

5.1 In developing the options for consultation, consideration has been given to whether the options will deliver a service that is “*comprehensive and efficient*”. A comprehensive service is not just about the delivery of the service through physical locations and geographical spread. Officers have taken regard of a wide range of information about the Borough’s population, active borrowers, feedback from the public engagement exercise, data and local needs analysis.

5.2 Consideration has also been given to whether the options for consultation will deliver a service that is efficient. Officers have had regard to detailed

information and analyses of the costs of the existing service and the resources available to the Council as a whole.

5.3 Cabinet is asked to consider the process described above and agree that to date this has been robust and has identified potential options for consultation.

5.4 Criteria for a sustainable service that is “*comprehensive and efficient*” should include consideration of:

- Geographical spread of population and library buildings
- Co-located facilities/services and opportunities for co-location
- Operating costs and the condition of library buildings infrastructure
- Social demographics
- Levels of library usage
- Transport and methods of travel

5.5 Data about usage of individual libraries and their community profiles has been compiled into a viability ranking matrix at Annex H, which contains further information and explanations of the matrix. This, together with all of the activity outlined in the report was brought together to form the options analysed in this report.

5.6 Cabinet is asked to agree the criteria selected and note that it is based on previous Secretary of State intervention and the subsequent inquiry into the proposed closures of public libraries in Wirral, together with other legal challenges that have been heard by the Courts.

5.7 The options contained in this report are presented to deliver a comprehensive, efficient and sustainable library service within the Council’s available resources.

6 Options appraisal

6.1 Having due regard for the information contained in this report and its annexes Cabinet is asked to consider which of the following options should be identified for the commencement consultation and engagement processes with the community, partners, key stakeholders, employees and Trade Unions.

The options are summarised below:

Option A

6.2 This option is based solely on the libraries that are/will be co-located and integrated with other council services to maximise efficiency. Co-location is considered important as it not only brings economies of scale but also benefits users of the service who have improved access to the library and to other council services.

6.3 This option considers the absolute minimum number of libraries required to serve the people of Sefton. The geography of Sefton makes it virtually impossible to have a single, all purpose library serving the whole borough. As a minimum:

- Sefton could have three libraries located in the three most modern co-located facilities i.e. the Atkinson at Southport, Meadows at Maghull and Netherton Activity Centre.
- These libraries would act as service centres; have long opening hours, extensive collections and advanced ICT facilities.
- The libraries could be complemented by a network of book collection & return points across the Borough in other Council & partner buildings – the exact location and nature of these could be decided before any existing libraries are closed.
- The three libraries would need some investment in staffing and services to ensure that they are centres of excellence and able to provide outreach services and support the neighbourhood library access points.
- If this option goes forward for consultation an implementation plan will be developed to clarify the library offer at all levels.
- At this stage the net savings are estimated to be in the region of £700,000 - £800,000.

6.4 This option carries significant risk of challenge with the potential for DCMS call-in for scrutiny and possible Inquiry, similar to that experienced by Wirral MBC. That scrutiny process could take a long time and it is likely that the Council will be prevented from making any changes until it is finally resolved.

6.5 It is anticipated that there would be substantial public objections to this plan, potentially beyond the boundaries of Sefton.

6.6 Cabinet is asked to have due regard for the information above and consider if this option should be progressed.

Option B

6.7 This option is based on the following criteria:

- Geographical spread and consideration of the main townships of Sefton. Due to the geography of Sefton there is no one township that can be considered to be the central location for Sefton. It is generally accepted that there are five main townships in the Borough i.e. Bootle, Crosby, Formby, Maghull and Southport, with a number of other smaller district areas.

- Co-location. Co-location is considered important as it not only brings economies of scale and efficiencies but also benefits users who have improved access to library and other Council services.
- A detailed local needs analysis of the communities, usage and costs for each library plus analysis from the public engagement.

6.8 This option proposes that there will be a library in each of the five townships of Sefton plus the existing co-located facility in Netherton. This option would involve a programmed closure of 7 libraries over two years with the possibility of developing a network of book collection & return points across the Borough in other Council & partner buildings, plus a review of the home visits service for the most vulnerable as mitigation for closed libraries and an extension in other areas where there is currently no provision. There would remain a library service building in the following locations/areas:

- Bootle. Operated either from the existing Bootle library or another location within the town centre.
- Crosby. Operated from either the existing Crosby library, or the College Road library, or co-located with another Council, community or private facility within the area, or a re-developed facility in the area. The provision of a library service within the Crosby area will need to consider the future of the local history and information service, the stock services unit and office space for specialist staff currently based at Crosby library. The local history service occupies a considerable amount of storage for its archives and other material, which have to be kept in certain environmental conditions, and options for this service will need to be developed.
- Formby. Operated either from the existing Formby library or another location within Formby.
- Maghull. Operated from the existing co-located library at Meadows
- Netherton. Operated from the existing co-located library at Netherton Activity Centre
- Southport. Operated from the imminent co-located library in the Atkinson in Southport

6.9 These libraries would act as service centres, having improved opening hours, extensive collections and advanced ICT facilities. They are all physically accessible and in close proximity to public transport routes. Maps with these six libraries showing the population within a two and three mile radius are available at Annex E.

6.10 It is anticipated that three of the six libraries would need some investment, including infrastructure costs and staffing to ensure that they are centres of excellence and able to provide outreach services to the neighbourhood library access points. This could be provided by re-investing some of the saved

revenue costs and capital receipts from the eventual disposal of closed library buildings.

- 6.11 Should Members agree to progress this option for consultation, an implementation plan will be developed to clarify the library offer at all levels.
- 6.12 At this stage the net savings can only be estimated but it is likely that they could be in the region of £400,000 - £480,000.
- 6.13 This option is considered practical and achievable, but it does carry risks and the Council will need to ensure that implementation is underpinned by a coherent strategy and well-developed plan that meets local needs, anticipates future trends in library use and is sustainable. A comprehensive Equalities Impact Assessment would also be prepared. The possibility of DCMS call-in remains, however other local library authorities who have undertaken similar programmes have received "*not minded to intervene*" letters from the Secretary of State following consideration by DCMS.
- 6.14 There will be public objections to this option. However, following extensive analysis, this option is recommended as offering a "*comprehensive and efficient*", realistic and sustainable future plan for Sefton's library service, preserving the overall quality of the service, albeit across fewer service points across the Borough, and reflecting the level of overall resources available to the Council

Option C

- 6.15 This option is based on keeping existing libraries open and seeking savings by a further reduction in opening hours.
- 6.16 In considering this option it must be understood that the existing infrastructure is not sustainable within existing resources. However, Members could give consideration to retaining the 13 library buildings and significantly reducing the opening hours to achieve a saving.
- 6.17 In order to progress this option the days of the week that the libraries are open and the pattern of library opening hours would need to be reconfigured to provide limited access to the service across the borough. The proposal would be to maximise the opening hours and usage in the three co-located libraries (Maghull, Netherton & Southport) and halve the opening hours in the other 10 libraries. This would result in a reduction from 44 hours to 22 hours per week in the larger libraries (Bootle, Crosby and Formby) and a reduction from 30 hours to 15 hours per week in the smaller libraries (Aintree, Ainsdale, College Road, Litherland, & Orrell) or an equivalent variation.
- 6.18 The 10 older libraries would need approximately £2m invested in their infrastructure. There is no capital funding currently identified to undertake this work, however funding could be "*prudentially borrowed*" at an approximate

annual cost of £200,000. This would reduce the approximate level of savings associated with this option from £330,000 to £130,000.

- 6.19 Given the service and budget reductions that have already been made in Sefton's library service, these measures would reduce the service to a point where it could be considered unsustainable. Extremely low levels of opening hours will lead to reduced use and an inevitable decline for the whole service. It would also result in under-utilisation of buildings and library materials within those communities. The Council will still have the liability for 13 buildings and associated costs plus the repairs and maintenance of libraries which are potentially closed for most of the week and no possibility of support via capital receipts.
- 6.20 If the level of savings required were time limited and the budget could be restored in the short term this could be an option worth taking forward. However, this is not the case and the Council would be retaining premises (many already sub-standard) in the hope that the budget situation would improve. The long-term prognosis for the economy and public service funding indicates that this is not a sustainable option.
- 6.21 This option may have a lower risk of DCMS intervention and legal challenge than options A and B although there are signs that the DCMS is also looking at impacts where Local Authorities are making very significant reductions to opening hours. However, it is the risk of a steep decline in the use of libraries that may lead to many closing themselves, leaving the community without any planned alternative service.
- 6.22 This option is considered to potentially be able to achieve minor savings but threatens the ability to develop a sustainable library service for Sefton. Whilst this option would retain local provisions it would be at the expense of a more comprehensive service across the borough i.e. accessibility versus quality of the service.
- 6.23 Cabinet is asked to have due regard for the information above and consider if this option should be progressed.

7. Mitigation actions

- 7.1 Whatever option is chosen for consultation and subsequently for implementation, libraries will continue to offer free services as defined in the 1964 Act plus Internet access. Given the financial pressures to maintain an efficient service within the Council's available resources, the Authority could seek to address any imbalance in the provision of libraries by further developing self-service options, partnership working and at home services to the most vulnerable customers.
- 7.2 Possible actions to mitigate the impact of any closures must also be considered by Members. The focus of mitigation must be on meeting the general requirements of children and providing alternative ways to meet the changing requirements of older and disabled people, the unemployed and

those living in deprived areas. The following options could be subject to consultation as part of the next stage of the review:

- A new neighbourhood collections service (pick up & drop off)
- Location of access (pick up & drop off) points
- Increased opening hours at the remaining libraries
- Investment in the remaining library service to make the service points centres of excellence
- Focus the resources available for the library service on those who are most in need of our support
- Extend the use of volunteers within the library service.

8 Risk Management

8.1 As part of the review process Officers have regularly reviewed strategic and operational risks associated with the review and put in place measures to manage those risks.

8.2 In considering those risks identified, Officers continue to be mindful of a range of risk factors including but not limited to the following:

- The impact of the Equality Act 2010
- The Human Rights Act 1998
- The possibility of judicial review on decisions that might be made by Members
- The risk of complaints to the Ombudsman
- Reputational risks to the Council
- Ensuring that contractual (including employment) provisions and requirements are adhered to
- The possibility of other legal proceedings, including employment tribunals.

All of the above is to be considered in light of the statutory requirement for the Council to set a balanced and robust budget and provide a “*comprehensive and efficient*” library service.

8.3 Members are aware that creating the capacity to develop options and implement the required change also carries a risk. The Strategic Leadership Team (SLT) will continue to monitor progress and agree priorities in line with Council decisions. This risk should not be underestimated given the significant reduction in management over the last two years, and the further proposed changes in 2012/13.

8.4 There is a significant risk of challenge associated with the options for consideration in this report. In particular Members will be aware that there is no precise definition of “*comprehensive and efficient*” in the 1964 Act or any subsequent Regulations. It is imperative that when considering the options for consultation that Cabinet pays due regard to the need to define “*comprehensive and efficient*” based on Sefton’s local need and its available

resources. However, it has been made clear in the recent London Borough of Brent Judicial Review **that the Section 7 duty of the 1964 Act cannot be exempt or divorced from resource issues and cannot in law escape the reductions which have been rendered inevitable in the light of the financial crisis engulfing the country.**

- 8.5 The review process has demonstrated that doing nothing will create an unsustainable network of provision. Significant investment is needed in most of the library buildings and funds to do this are not currently contained within the Council's Medium Term Financial Plan. The recent assessment of the existing building stock implies that some libraries will eventually "*close themselves*".
- 8.6 The changing use of technology is affecting the use of libraries e.g. the use of on-line resources, e-books and self service technology across the country. Historically the response to this change has often been piecemeal. Both the public engagement response and the review process indicate that the service will be required to invest in technology to meet future demands. Generally, in line with other library services, library membership and usage is declining. There are however exceptions to this when there has been significant investment in a facility or service. At the same time, customer expectations are increasing.
- 8.7 Clearly, other service reviews are taking place across the full range of Council activities. During the next stage of this process Officers will ensure that any potential cumulative impacts of proposed changes are fully understood, potential mitigating actions identified, and all opportunities for joint and co-operative working fully explored.
- 8.8 Cabinet is asked to note and understand the risks outlined above

9. **Options considered and not recommended**

- 9.1 In developing options Officers have considered the approach other library authorities are taking across the country as they too are impacted by reductions in resources. Some Public Library Authorities are proposing new models which include:
- the part or whole replacement of staff by volunteers;
 - closure of libraries with buildings being handed over to community groups;
 - reducing the number of service points, reconfiguring the network and developing alternative service models;
 - cutting opening hours across all libraries;
 - replacing static buildings with additional mobile services;
 - out-sourcing support and infrastructure services to commercial companies;

- commissioning services from other agencies, including other public library authorities;
- friends of groups raising funds external to council revenue.

9.2 This report has identified elements of the above within the options for consideration. The options from the above list that relate to alternative methods of governance are complex. They would need time to evaluate and implement and most would need a lot of specialist legal support. Exploratory discussions have taken place which have indicated that the level of external support (e.g. volunteers) for taking over the full operation of individual libraries is very limited. Therefore such proposals are not recommended to move forward at this stage. However, any partnership methods of service delivery will be investigated further. More detailed information about these is contained in Annex J.

10 Equality Act 2010 Duty and Impact Assessments

10.1 As the Council makes decisions, there is a need to be clear and precise about our processes and impact assess potential change proposals, identifying any risks and mitigating these as far as possible. The impact assessments, including any feedback from consultation or engagement, will be made available to Members when final recommendations are presented for a decision. This will ensure that Members make decisions in an open minded balanced way showing due regard to the impact of the recommendations being presented in compliance with the Equality Act 2010

10.2 A pre-assessment equality analysis has been undertaken and in Officers' professional judgement the impact of options B and C is minimal from an equalities perspective. This is contained as a background document at <http://modgov.sefton.gov.uk/moderngov/ecCatDisplay.aspx?sch=doc&cat=13333&path=13193>

11 Engagement and Consultation Stage 2

11.1 The detailed consequences of potential changes on library services have yet to be fully determined but what is clear is that the options in this report will have a significant impact.

11.2 During the next stage of the engagement process, consultation will take place on any option(s) agreed by Cabinet. The consultation methodology and content will be presented to the Consultation and Engagement Panel for endorsement, in general views will be sought on, but not limited to;

- The proposed option(s) and how they will affect individuals and groups
- Potential mitigating actions, including the potential for community run libraries and the use of volunteers
- Fees and charges
- Alternative suggestions for savings
- Co-location and partnership opportunities within the community

Background information will be provided on-line and in libraries, including a profile for each library service point.

11.3 The consultation period is planned to commence on 29th October 2012 and close on 14th January 2013. Approval to commence consultation and engagement will enable the Council to make informed decisions in respect of library services and the 2013/14 Budget at its Budget Council meeting on 28th February 2013.

11.4 In considering the consultation feedback from the next stage of engagement Cabinet will need to take account of potential changes to other Council services in determining its final recommendations to Council.

12 Decision process

The table below outlines the decision process and timescales

Date	Who	What
11 th October 2012	Cabinet	<ul style="list-style-type: none"> Consider and make decision on options to consult
TBC	Consultation & Engagement Panel	<ul style="list-style-type: none"> Approval consultation methodology & content
29 th October 2012		<ul style="list-style-type: none"> Commencement of public consultation
14 th January 2013		<ul style="list-style-type: none"> End of public consultation
31 st January 2013	Cabinet	<ul style="list-style-type: none"> Consider consultation feedback and make recommendation to Council
28 th February 2013	Budget Council	<ul style="list-style-type: none"> Approval of Budget and Council Tax

13 Implementation Plan

13.1 A draft implementation plan, with a budget outline, will be presented as part of the report that will be submitted for Cabinet on January 31st 2013, to make recommendations to Council.

14 Recommendations

14.1 Cabinet is asked to note the outcome of the local needs analysis including the results from the public engagement exercise, resulting in options for a new model of delivery for a modern, sustainable, comprehensive and efficient Sefton Library Service and to agree to:

- a) note that all figures in this report are working assumptions in relation to the options to be considered and the figures should not be seen as predetermining any decisions.
- b) consider the process described in the report and agree that to date this has been a robust process
- c) the general definition of a “*comprehensive and efficient*” library service for Sefton described in paragraph 2.3

- d) to note and understand the risks identified within the report
- e) the option appraisal criteria and note that it is influenced by previous Secretary of State/Judicial Review considerations and intervention
- f) consider the options contained in this report and approve Option B for consultation and engagement with the community, staff, partners, including businesses, voluntary, community and faith sectors, to transform the way Sefton delivers its library service
- g) note that the equality implications will be thoroughly assessed in line with the Council's Equality Impact Assessment process should Members agree the proposed option be taken forward at a later date
- h) consider the potential mitigating actions identified to date and agree that further work on Sefton's Library Service offer, including the possible mitigating actions be developed.